

NEWS RELEASE



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Consumer Price Index, Philadelphia-Wilmington-Atlantic City – June 2015 Area prices up 0.8 percent since April and 0.2 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Philadelphia-Wilmington-Atlantic City advanced 0.8 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted the advance was the largest bimonthly increase for the all items index since August 2012. The recent increase reflected higher prices for energy (4.1 percent) and all items less food and energy (0.4 percent). The food index also rose since April, up 1.3 percent. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U edged up 0.2 percent. (See <u>chart 1</u> and <u>table A</u>.) A 1.8-percent rise in the all items less food and energy index and a 2.5-percent increase in the food index were mostly offset by a 16.3-percent decrease in the energy index since June 2014. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Philadelphia, June 2012-June 2015



Source: U.S. Bureau of Labor Statistics.

Food

The food index increased 1.3 percent over the last two months, led by a 1.8-percent increase in food away from home prices. Food at home prices also rose, up 0.8 percent. Within the food at home component, prices were higher for various items including snacks; eggs; and spices, seasonings, condiments, and sauces.

Food prices rose 2.5 percent over the year, as prices for both components also increased. Prices for food at home advanced 2.7 percent and those for food away from home increased 2.3 percent since last June.

Energy

The energy index, which includes prices for household and transportation fuels, rose 4.1 percent since April, led by a 10.2-percent advance in gasoline prices. Prices for electricity also rose, up 1.4 percent, while those for utility (piped) gas service declined since April, down 4.4 percent.

Energy prices fell 16.3 percent since June 2014, due mostly to a 25.4-percent drop in gasoline prices. Utility (piped) gas service prices also declined, down 15.8 percent—the largest over-the-year decline since February 2010. Electricity prices increased over the year, up 1.6 percent.

All items less food and energy

The index for all items less food and energy increased 0.4 percent since April, reflecting higher prices for other goods and services (10.1 percent), household furnishings and operations (1.5 percent), and shelter (0.2 percent). Moderating the increase in the all items less food and energy index was a seasonal decrease in prices for apparel, down 6.4 percent.

Since June 2014, the index for all items less food and energy rose 1.8 percent. The advance was due largely to an over-the-year increase in the shelter index, up 1.8 percent, as the owners' equivalent rent of residences index was up 2.7 percent. Higher prices for medical care (5.5 percent) and other goods and services (8.1 percent) also contributed to the rise. Lower prices for apparel (-8.3 percent) moderated the increase in the all items less food and energy index since last June.

Table A. Philadelphia CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

	2011		2012		2013		2014		2015	
Month	2-month	12-month								
February	1.3	1.9	0.7	2.2	0.7	1.8	0.5	1.0	-0.2	-0.1
April	1.0	2.5	0.8	2.0	0.1	1.1	0.5	1.4	0.5	0.0
June	0.6	2.8	-0.2	1.3	0.3	1.5	0.6	1.8	0.8	0.2
August	0.7	3.4	0.9	1.4	0.5	1.1	0.0	1.3		
October	-0.3	3.0	0.4	2.2	-0.4	0.3	-0.1	1.6		
December	-0.5	2.8	-0.9	1.8	0.1	1.2	-0.8	0.6		

The Consumer Price Index for August 2015 is scheduled to be released on Wednesday, September 16, 2015, at 8:30 a.m. (ET).

Technical Note

The Consumer Price Index for Philadelphia-Wilmington-Atlantic City is published bi-monthly. The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., Consolidated Metropolitan Statistical Area includes Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., (1982-84=100 unless otherwise noted) (not seasonally adjusted)

		Inde	294	Percent change from			
Expenditure category	Historical data	Apr. 2015	May 2015	Jun. 2015	Jun. 2014	Apr. 2015	May 2015
All items.		243.717		245.675	0.2	0.8	
All items (1967 = 100)		704.085		709.742			
Food and beverages		231.093		233.426	2.3	1.0	
Food		230.946		233.877	2.5	1.3	
Food at home		242.823	245.243	244.848	2.7	0.8	-0.2
Food away from home		209.850		213.688	2.3	1.8	
Alcoholic beverages	·	230.393		225.087	0.2	-2.3	
Housing		250.080		250.647	0.7	0.2	
Shelter		307.555	308.159	308.032	1.8	0.2	0.0
Rent of primary residence (1)		288.713	288.956	289.233	3.3	0.2	0.1
Owners' equivalent rent of residences (1) (2) (3)		315.462	316.138	316.707	2.7	0.4	0.2
Owners' equivalent rent of primary residence		315.462	316.138	316.707	2.7	0.4	0.2
Fuels and utilities		205.797		205.368	-5.5	-0.2	
Household energy		173.775	173.951	173.311	-7.0	-0.3	-0.4
Gas (piped) and electricity (1)		185.284	185.283	184.821	-3.7	-0.2	-0.2
Electricity (1)		193.269	191.082	195.936	1.6	1.4	2.5
Utility (piped) gas service (1)	-	161.700	166.383	154.550	-15.8	-4.4	-7.1
Household furnishings and operations		117.470		119.192	0.7	1.5	
Apparel		107.340		100.509	-8.3	-6.4	
Transportation		204.717		210.967	-6.7	3.1	
Private transportation		203.223		208.902	-7.0	2.8	
Motor fuel		220.296	242.843	242.637	-25.4	10.1	-0.1
Gasoline (all types)		217.160	239.490	239.309	-25.4	10.2	-0.1
Gasoline, unleaded regular (4)		215.447	238.043	237.770	-25.8	10.4	-0.1

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		Inde	xes	Percent change from			
Expenditure category	Historical data	Apr. 2015	May 2015	Jun. 2015	Jun. 2014	Apr. 2015	May 2015
Gasoline, unleaded midgrade (4) (5)		218.588	239.605	239.315	-23.9	9.5	-0.1
Gasoline, unleaded premium (4)		214.185	233.824	234.391	-23.0	9.4	0.2
Medical care		492.667		494.014	5.5	0.3	
Recreation (6)		125.434		125.423	0.1	0.0	
Education and communication ⁽⁶⁾		132.763		133.273	1.2	0.4	
Other goods and services		464.857		511.924	8.1	10.1	
Commodity and service group							
Commodities		177.536		179.038	-3.3	0.8	
Commodities less food and beverages		147.933		149.014	-6.9	0.7	
Nondurables less food and beverages		182.840		184.382	-9.8	0.8	
Durables	·	108.189		108.763	-1.2	0.5	
Services	·	311.300		313.733	2.1	0.8	
Special aggregate indexes							
All items less shelter	·	223.206		225.810	-0.7	1.2	
All items less medical care		233.272		235.247	-0.2	0.8	
Commodities less food		150.882		151.764	-6.6	0.6	
Nondurables		207.860		209.794	-3.8	0.9	
Nondurables less food		185.628		186.766	-9.1	0.6	
Services less rent of shelter (2)		322.167		327.056	2.4	1.5	
Services less medical care services		297.112		299.540	1.8	0.8	
Energy		190.936	199.336	198.856	-16.3	4.1	-0.2
All items less energy		251.372		252.689	1.9	0.5	

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		lade		Percent change from			
Expenditure category	Historical data	Apr. 2015	May 2015	Jun. 2015	Jun. 2014	Apr. 2015	May 2015
All items less food and energy		257.463		258.494	1.8	0.4	

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

Note: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Indexes on a December 1982=100 base.

⁽³⁾ This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

⁽⁴⁾ Special index based on a substantially smaller sample.

⁽⁵⁾ Indexes on a December 1993=100 base.

⁽⁶⁾ Indexes on a December 1997=100 base.